

# Illinois U Library Town Meeting

BULLETIN OF AMERICA'S TOWN MEETING OF THE AIR

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## Does the Arab World Need a Marshall Plan?

*Moderator, GEORGE V. DENNY, Jr.*

### *Speakers*

ABA HABASHY PACHA      HUSSEIN KAMEL SELIM BEY

JOHN S. BADEAU      CLARENCE DECKER

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### COMING

September 6, 1949

How Can We Advance Democracy in Asia?

September 13, 1949

What Are Democracies' Best Answers  
to Communism?

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### "How Can We Advance Democracy in Asia?"



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### "What Are Democracies' Best Answers to Communism?"



The Broadcast of August 30, 1949, over the American Broadcasting Network from 8:30 to 9:30 p.m., EDT, was a rebroadcast of the program which originated in Cairo, Egypt, on August 5.

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# Town Meeting

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GEORGE V. DENNY, JR., MODERATOR



AUGUST 30, 1949

VOL. 15, No. 18

## Does the Arab World Need a Marshall Plan?

**Lord:**

This is Milton Lord, director of the Boston Public Library and president-elect of the American Library Association. I speak to you from the seat of a civilization accumulated in a multitude of centuries with a continuity of not less than 60 centuries. Ancient Egypt spoke through its gigantic temples, tombs, and tremendous artistic output. It gave way in turn to the Greco-Egyptian civilization, marked by the flourishing of Alexandria, to the civilization of Rome, and the new world of Christendom; then to Islam and the gradual Arabization of the country over the Middle Ages, and the Ottoman period. Until, at length, Mohammed Ali became the savior and founder of modern Egypt.

I ask you now to look at a great modern country with pressing problems. Of one aspect of these, we are to hear tonight.

Now, to preside over our discussion here is your moderator, the president of Town Hall, New York, and founder of America's Town Meeting of the Air, Mr. George V. Denny, Jr. Mr. Denny. (applause)

**Moderator Denny:**

Good evening, neighbors. Tonight, we invite you to join us on the banks of the river Nile in modern Egypt, overlooking the ancient Pyramids and the Sphinx, which our Town Hall party will visit by moonlight as soon as this broadcast is over.

As you listen to this discussion we would like for you to feel something of the spirit of genuine friendliness extended to us by the modern Egyptian people who have so much to be proud of as present-day custodians of one of the world's oldest civilizations. One must visit Egypt today to understand it and to appre-



ciate the great strides its people are making with its recently won independence. Twenty-five years ago, it became a constitutional democracy. Although Egypt is temporarily under martial law, we have felt no restrictions whatever in the discussions of the Town Hall party of 28 representative Americans with an even larger number of citizens of this part of the Arab world. We are happy to tell you that this program is being held without the slightest degree of censorship.

A short time ago, a new coalition government was formed under the leadership of His Excellency Hussein Sirry Pasha, and general elections are scheduled to take place in a short time. Egypt is counting strongly on education for her future, so it's most appropriate that this discussion should be held here in the beautiful Ewart Memorial Hall at the American University of Cairo.

In view of the apparent success of the Marshall Plan in Western Europe, people in other parts of the world, notably the Middle East and Far East, have begun to think of the possibility of similar plans in their respective areas.

Actually, the Marshall Plan was simply a device by which a group of nations agreed to cooperate to promote their own recovery with the financial assistance of the United States Government. As conditions in the Middle East and Far East differ substantially from those in Western Europe, any so-called Marshall Plan for these two areas would naturally differ substantially from the present one. However, there is one thing every nation we have visited on this tour has in common with us in the United States and that is the danger of Soviet aggression in one form or another.

We shall, therefore, be deeply interested in the conflicting views of our speakers on tonight's question, "Does the Arab World Need a Marshall Plan?"

Our first speaker, Hussein Kamel Selim Bey, is Dean of the faculty of commerce at Fuad I University at Cairo, and has served as special government representative to various international congresses. Selim Bey took his postgraduate training at Liverpool University and returned to Egypt to take up his teaching at this university here. He is greatly interested in sports and is president of the Egyptian Hockey Federation. We are very happy indeed, to have as the opening speaker on our discussion this evening, Professor Selim Bey. (Applause)

### **Selim Bey:**

I should like in the first place to explain why the Arab world is considered an underdeveloped area which needs the Marshall Plan. It isn't because it is inhabited by people who are

less, or without initiative. The glorious history proves exactly  
contrary.

nor is it because their countries are poor and lack resources.  
Egypt was the granary of the Roman Empire, and at present the  
Arab world holds something like 60 per cent of the world's oil resources.  
Then why is it underdeveloped?

The truth is that the Arab countries stepped into the dark ages  
as the West was stepping out of them—about the time of  
Columbus' discovery of America, four and a half centuries ago.  
While in the West you were making rapid progress in every  
field of human energy we over here were slipping backwards to  
conditions worse than in ancient times.

Emancipation from these dark ages came very late—150 years  
in the case of Egypt, and only 30 years ago in the case of  
the rest of the Arab world. Naturally, we have a big lee-  
way to make up, and by western standards, this is an under-  
developed area through no fault of its peoples, but simply because  
of the relentless force of events.

Now what has all this got to do with America? What claim  
do we have on her help and generosity? Surely, the American tax-  
payer needs sympathy for the burdens he has shouldered alone  
in Lend-Lease to Marshall Aid for Western Europe and re-  
armament schemes under the Atlantic Pact, to say nothing of the  
trillions sunk in Nationalist China.

This is all too true, but need I say that these expenses are  
nothing to the human and financial sacrifices that a third World  
war would entail? I only want to point out that America, by  
offering her help to us in Europe and the Atlantic countries, is  
building another Maginot Line against communism—a line that  
can easily be turned by the enemy because its building has been  
incomplete.

The Arab world is Russia's immediate neighbor on the south,  
and its military weakness is a positive menace to American  
security. Why bolt and lock Russia's front door on the Rhine, in  
France, and Turkey, and leave her back door wide open? It  
can't make sense.

That is why I hold that it is of immense interest to America  
to give prompt and generous military aid to the Arab countries  
and to stop all aid to Europe, save your money, and wait for the  
storm to blow up.

There is another point I'd like to make. Marshall Aid for Europe  
meant to build up a war-shattered economy and prevent the  
spread of communism to the Atlantic and the Mediterranean.  
What about the danger of communism in the Middle East?



The very low standards of living of most of its inhabitants make it an ideal ground for the spread of this pernicious weed.

Without American aid to build up our economy, and wipe out the neglect of the ages, this communist menace here is very real indeed, and the weakness of your Maginot Line becomes more apparent.

One last point: American aid for the Arab world will not only help American security and lessen the danger of the spread of communism; it will also help world trade. If the Middle Eastern countries could produce more and have more, we could trade more with Europe and America, and world economy would come far healthier than it is at present.

That is why, to the question, "Does the Arab World Need a Marshall Plan?" my answer is an emphatic "Yes." (*Applause*)

### **Moderator Denny:**

Thank you, Professor Selim Bey. Our next speaker is also a businessman, former Minister of Commerce and Industry, and a member of the Egyptian Senate. He, too, is interested in sports and is still an ardent tennis enthusiast. He is a graduate of the law school of law in the Egyptian University here in Cairo and has received additional training in his profession in France, both at Paris University and the Sorbonne. He served his government in several capacities and received the title Bey in 1932, and in 1937 was elevated to the title Pacha. Egyptian titles, as you will notice, are used following the family name instead of preceding as in the case of most western countries. I take pleasure now in presenting His Excellency, Saba Habashy Pacha. (*Applause*)

### **Saba Habashy Pacha:**

I do not share Professor Selim's enthusiasm for the Marshall Plan for the Middle East. The optimistic view that it would be a cure-all and a sure recipe for creating good will between the East and West might end in disappointment.

In this part of the world, what we are looking forward to from the West is fairness and friendliness. We are more interested in the moral values than in any material gains. (*Applause*)

A Marshall Plan for the Middle East implies asking the American taxpayer for a substantial amount of money to help in improving economic and social conditions in a region separated from him by thousands of miles of sea and land. I would not be surprised if this should cause resentment in the United States and arouse suspicion here.

There, in the West, it might be represented as an exploitation

Uncle Sam's generosity in favor of poor nephews who live far away.

Here in the East it might be misinterpreted as an attempt to croach upon national dignity and integrity.

Furthermore, it appears doubtful to me that a Marshall Plan for the Middle East could accomplish its objective. It involves too much government planning and control, and it is a fact that easy money leads to loose spending. The state is a poor businessman. At the close of the last century, Ernest Renault said that, in an honest country like France, the government produced half as much as private enterprise for double the cost. The truthfulness of this statement has been confirmed by more recent experience.

Finally, and I think Dr. Badeau and Dr. Decker will agree with me on this point, conditions in the Middle East are in no way similar to conditions in Europe. Europe was devastated by war and required machinery and equipment to resume production and restore economic prosperity.

The problem of the Middle East is different. What we need here is the development of hitherto untapped resources and the creation of economic prosperity. Study and research rather than dollars and cents are our first requirements.

The best way in which the West can coöperate in solving our problem is by making available to us "know-how" and its technical methods. Here there is room for private initiative which would avoid statism.

Let me cite an outstanding example. Arabian-American Oil, or Amoco for brevity, is a private company which found oil in Saudi Arabia. It is now producing about half a million barrels of oil a day. It is paying royalties to the government of Saudi Arabia and taxes to the United States Treasury. It is spending hundreds of millions of dollars in the Middle East and creating tens of thousands of jobs, but, above all, it has created coöperation and good will. It has aptly been described as an ideal manned by idealist adventurers in free enterprise. (*Applause*)

A hundred and fifty years ago, Napoleon came to Egypt at the head of a military and scientific expedition. The military expedition proved a failure, but the work of the painstaking group of French scientists was the foundation of the development and progress of modern Egypt. In the *Description d' Egypt*, which is a monument of learning and patient scientific research for all time, we find the germ of the big projects which made Egypt what it is today—the great irrigation schemes, the Aswan Dam, the Delta drainage, and the Suez Canal.

I wonder whether President Truman had this or some similar example in mind when he laid down Point Four in his well-known program. He did not ask the Congress of the United States for huge appropriations similar to those involved in the Marshall Plan for Europe, but the idea on which Point Four of that program rests is basically sound. It corresponds to the real need in this part of the world, which is to help undeveloped countries to help themselves and to make available to them technical advice rather than financial contributions. (*Applause*)

### **Moderator Denny:**

Thank you, Saba Habashy Pacha. Now that we've had both sides of this question presented by the Egyptian speakers, let's hear what the American speakers have to say. We'll hear first from Dr. John Badeau, President of the American University in Cairo, member of the Executive Committee of the Cairo Association of Social Studies.

It was Dr. Badeau who first suggested our coming to Cairo for a Town Meeting more than a year ago, and we're very happy indeed, to be his guests here at the Ewart Memorial Hall tonight. Dr. Badeau, may we have your opinion on tonight's question "Does the Arab World Need a Marshall Plan?" (*Applause*)

### **Dr. Badeau:**

Professor Selim Bey has said "yes"; my good friend, Habashy Pacha, has said "no!" How refreshing it is to find both our Egyptian colleagues sympathizing with the American taxpayer. Poor man, he gets very little sympathy.

But I do not agree with either. My answer is not yes or no, but "if."

If what? If we recognize at the very start that the problem of the Arab world is not a Marshall Plan problem.

As Habashy Pacha has pointed out, the Marshall Plan was shot in the arm of economic vitamins. It was meant to bring about the quick recovery of Europe at the end of a war. But this is not our need in the Middle East, and here I differ from my colleague Professor Selim Bey.

Our economic and social problems are not due to the disruption of war. They are rooted in such basic factors as scarcity of water, the limited area of cultivated land, an expanding population, a low level of national income.

So let us not be fooled by the shot-in-the-arm promises of the Marshall Plan. We need something more basic, something that will institute long-term improvement in the level of living of the common man.



What is that something? Any plan offered must take account of least three factors.

The first is a need for an area approach. We are talking tonight about the Arab world. Why world? Because by geography, social structure, and economic development these lands of the eastern Mediterranean are bound together. Egypt needs wheat. Iraq exports wheat. Egypt has a disturbing population increase. There are irrigation developments in other Arab lands that may call for additional agricultural workers. So to improve basic conditions everywhere, we must deal with basic conditions everywhere.

But this will be difficult. The Western Powers in the past have done very little, indeed, to assist in the growth of area consciousness in the Arab world. And the Arab world, itself, has not yet developed efficient instruments of international planning. Yet both of these are essential if any plan attacking basic economic problems is to succeed.

The second factor is the adequate use of local resources. By local resources I mean land, capital, and technical skills. Here I could pay tribute to the promising development of local resources that is taking place in Egypt. Both government and private business are doing more than ever for internal economic progress. This is one of the hopeful signs of a better future, and I would not want to see any ill-designed foreign economic aid divert this healthy local development.

But there still remains a problem. Resources of the Middle East, in so many countries, are controlled by a relatively small group. How can international planning assist this group to use their resources for the uplift of the common man?

To put it in other words, our plan must not only stimulate the better use of local resources for bigger business. It must also stimulate their use for a far wider section of the population, than has been done in the past.

The third factor in an economic plan is its complete separation from all thought of renewed political control by the West. He who plays the money calls the tune. There is still enough truth in that I saw to give the Arab world pause.

How did French and British control first enter the Nile Valley? Through economic assistance in the form of a guaranteed loan. Now we cannot have anything like that happen again. More than ever before, any international economic help sponsored by the West—and particularly by America—must be free from the least suspicion or taint of political pressure. (*Applause*)

Frankly, I doubt if that is possible. I suspect Dr. Decker will tell us that it can be done only through the United Nations. So

you see why I say neither "yes" nor "no" to the Marshall Plan. My answer is "if." If these problems can be met, then it may be possible to plan for international economic assistance to the Arab world. (*Applause*)

### **Moderator Denny:**

Thank you, Dr. Badeau. Dr. Clarence Decker, President of the University of Kansas City, is a member of our World Town Hall Seminar and has been designated as a special representative of the American Association for the United Nations. It's not surprising, therefore, that he should differ with Dr. Badeau on tonight's question.

Dr. Decker was awarded last February the Order of the Aztec Eagle, the highest honor presented by the Mexican Government, and we are honored, indeed, to present him tonight to our Town Hall audience. Dr. Clarence Decker of Kansas City. (*Applause*)

### **Dr. Decker:**

A Marshall Plan, even with Dr. Badeau's very cautious "if," is not an adequate solution to the deep-rooted economic and social needs of the Middle East. The Marshall Plan, as all of us have agreed, was not designed to solve the basic problems of a backward economy. It was not even a long-range program for world recovery. Its purpose was to buy time as quickly as possible on our first line of defense—Europe—and its gratifying success in forestalling economic collapse and the threat of war is a matter of record.

But it has not built a unified and free economy of sound market where men can buy and sell competitively with convertible money, goods, and services. Our world today is still threatened with economic strangulation and social collapse.

There are four major reasons why a Marshall Plan for the Arab world is inadequate:

1. The problem here is not—as in Europe—the reconstruction of a war-devastated but highly industrialized and highly educated social order. It is, rather, the building almost from the ground up of a new and modern society.

2. Most Americans would not agree with my colleague, Professor Selim Bey, that any one nation—even the United States—is strong or rich or wise enough to shoulder this gigantic responsibility alone. Moreover, I suspect that the Arab world, itself, has learned from bitter experience of the hazards of foreign influence.

3. A bilateral deal between the United States and the Arab Middle East is a return to the ill-fated power politics of the 19th century. It is bound to arouse deep-seated resentment among other

countries and other regions that are as desperately in need of help as the Arab world.

4. Bilateral Marshall aid to the Middle East would greatly weaken the coöperative objective of the United Nations of which the Arab countries are members.

Yes, Dr. Badeau, the only promising proposal for our common international welfare, including that of the Middle East, is the long-range plan of the United Nations to stimulate the development of the untapped, underdeveloped, and potentially powerful resources of the world. This is the United Nations response to President Truman's call and the world's cry for a bold new program to spread technological knowledge, to facilitate the flow of venture capital, and, above all, to raise the world's pitifully low standard of living.

As Habashy Pacha has already said, its primary object in the long run is to help the nations to help themselves. It must include private investment and effort, and it must provide guarantees that these will be fully protected and that they will be used for common welfare.

It stresses private investment—local and foreign capital working in partnership—because people, even more than government, embody the creative forces of civilization.

Finally, this larger program under the sponsorship of the United Nations attacks the world crisis on a social as well as an economic basis. No civilization can survive which ignores the health, education, civil liberties, and living standards of its people.

There is a deep restlessness among the underprivileged the world over. These people could become an easy prey to totalitarianism in any of its brutal forms, or they could become a positive influence for good in a dynamic democratic world.

Egypt, with its life-giving Nile, was the breadbasket of an ancient civilization supporting millions of people. The monumental Pyramids, the beautiful mosques in this great international city frequently testify to a genius and engineering skill, intellectual vision, and artistic grandeur that is still the marvel of all history.

As we face the uncertain future, I feel sure that this old genius will rise again to its modern industrial, social, and political opportunities. They will rise with courage and imagination, and the Middle East as a creative partner in the entire family of nations will contribute its full share to human welfare throughout the world. (*Applause*)

**Moderator Denny:**

Thank you, Dr. Decker. Now, gentleman, will you join me up



here around the microphone for a brief discussion before we take the questions from the audience. Professor Selim Bey, we seem to have been throwing a lot of darts in your direction. I wonder if you will start us off.

**Selim Bey:** I'd like to ask my friend, Habashy Pacha, do you really believe that all the Arab countries need are moral support and technical advice? What earthly use are these without capital?

**Habashy Pacha:** I think my answer is this: We need both, but in order. What we really need first is planning, technical advice, and to form our blueprint about the things and objectives that we want to realize. After that would come the role of money.

To my mind, the more difficult task is the planning stage, where finding the money is an easy task provided you study your projects properly and try to have something to develop new resources of wealth that could convince everybody, and everybody would prepare to bring in the capital necessary, provided it has got the necessary guarantee.

**Mr. Denny:** Thank you. Selim Bey, you seem to have gotten

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## THE SPEAKERS' COLUMN

**JOHN STOTHOFF BADEAU**—Born in Pittsburgh, Pa., in 1903, Dr. Badeau is president of the American University at Cairo, and member of the executive committee of the Near East Christian Council.

Dr. Badeau has degrees from Union College, Rutgers University, and Union Theological Seminary. He also studied for three years at New Brunswick Theological Seminary. After a year of teaching school and two years as a student preacher, he was ordained in the ministry of the Reformed Church in America. From 1928 to 1930, he engaged in missionary service in Mesopotamia, Mosul, and Iraq; from 1930 to 1935, was stationed in Baghdad, Iraq.

In 1936, Dr. Badeau went to the American University as associate professor of religion and philosophy. From 1938 to 1944, he was dean of the faculty of arts and sciences and has been president since 1945. During the war, he was regional chief for the Middle East in the Office of War Information.

**CLARENCE R. DECKER**—Dr. Clarence R. Decker, president of the University of Kansas City, received the degree of Doctor of Philosophy from the University of Chicago in 1928 at the age of 23. His undergraduate work was done at Carleton College, Northfield, Minnesota, where he was president of the student body and college orator.

Dr. Decker taught at the University of North Dakota, Northwestern University, DePaul University, Illinois Wesleyan University, and the Univer-

sity of Kansas City. He has traveled over most of Europe and Asia Minor and studied in European universities.

Dr. Decker came to the University of Kansas City in 1934 as chairman of the Department of English. In 1937, he was appointed vice president of the University and became president in 1938 at the age of 33, one of the youngest university presidents in the country at that time. He is the founder and editor of the *University of Kansas City Review*, well-known quarterly journal published by the University, and has written widely in scholarly journals and literary magazines.

**HUSSEIN KAMEL SELIM BEY**—Selim Bey is dean of the faculty of commerce, at Fuad I University and has been special government representative to several international congresses. He had his postgraduate training at Liverpool University and returned to Egypt where he taught at the University of Egypt. Greatly interested in sports, Selim Bey is president of the Egyptian Hockey Federation.

**SABA HABASHY PACHA**—Habashy Pacha is former Minister of Commerce and Industry. He is a member of the Egyptian Senate and director and advisor to many Egyptian and American business firms. A graduate of the school of law in the Egyptian University, he had added training at the University of Paris and in the Sorbonne. A sports enthusiast, he is an ardent tennis fan.

attacks from all three of these people, so I'm going to give you a second chance before we turn to Dr. Badeau.

**Selim Bey:** Dr. Decker, do you believe that the United Nations, with its vetoes and infinite discussions, could really save the Middle East? Why then have the western powers created the Atlantic Pact if they have faith in the United Nations? (*Applause*)

**Dr. Decker:** That, of course, is a perfectly wonderful question and a very serious question, and one which would take a great deal of time to answer in detail. But, in general, you judge the usefulness of anything by its alternative. What are the alternatives to the United Nations?

All of us hope that it will be greatly improved, but I don't know any country in the world today, including my own—if the hammer were put bluntly to them—that would do away with the

Let us not forget that, while the newspapers play up every veto by the Russians on the slightest point, hundreds and hundreds of agreements have been worked out with the Russians sitting in at the U.N.

I think in this matter of an economic development that there are again hundreds of projects which can be supported by the United Nations. If they can't, we can be reasonably sure that no Marshall Plan, as a long-time program, will be able to solve it. Russia will understand every move as a direct political move against her, and there will be a counter move.

I think our job is to move ahead, to strengthen the work of the United Nations, to work, wherever we can, through her. Then there is a complete breakdown, let's form a United Nations of democratic nations of the world. (*Applause*)

**Dr. Denny:** Thank you. Now, Dr. Badeau?

**Dr. Badeau:** I'd like to ask Selim Bey what he means by developing the Middle East as a defense against communism. It can't be developed either (a) as a military base to fight the Russians, or (b) its internal conditions might be so built up that there would be lack of internal unrest. If it is b, that still doesn't give any military might to stop the Russians coming down. Therefore, how would quick aid stop any possible Russian aggression unless it meant a new period of imperial control in the Middle East?

**Dr. Denny:** Selim Bey.

**Selim Bey:** I think my friend, Mr. Badeau, has noticed that Egypt has devoted nearly a quarter of its present budget to refresh armaments. I'm sure that the example of western union and of its rearmament program contracted by the United States after

the Atlantic Pact has been ratified gives us an example of how rearmament anywhere—Middle East or Western Europe—should take place. What we want is fresh weapons, well-trained armies, built-up navies that would be trusted to make a stand and hold the flood until help could come from overseas.

**Mr. Denny:** Dr. Decker, have you a question?

**Dr. Decker:** Habashy Pacha, oil, in the past, unhappily, has been a fighting word. You spoke of the Arabian-American Oil Company in Saudi Arabia as an outstanding example of the work of foreign capital in developing the economic resources of a country. That company, I believe, is entirely American-owned. Could you tell us some of the ways in which this economic development also contributes to the real improvement of the country's standard of living—its education, its health, and all the rest of the social welfare services? (*Applause*)

**Habashy Pacha:** I should like to answer the question, and my answer is this: There are two ways of doing business. One way is to do business for profit, and this is an old conception that, happily, is dropping out of the picture. There's a new conception of doing business for the benefit and profit and advantage to the people who are served. It is a new way of capitalism in the service of mankind—not capitalism to exploit mankind, but the other way around.

Let me cite examples as to how Arabian-American Oil is trying to realize an ideal. They are in Saudi Arabia and they want to solve some of the problems of Saudi Arabia. They're not called upon to spend money on other aspects for the development of Saudi Arabia other than in the field of oil, but here's what they are doing. They are fighting disease. They are giving medical service. At the same time they are trying to solve some of the long-range problems of Saudi Arabia. For example, in developing agriculture in Saudi Arabia, they have chosen a mission of professors from some of the best universities in the States, and they have sent them to Saudi Arabia. They are under the leadership of Mr. Edwards, who is a well-known figure. Mr. Edwards and his people are trying to do their best in the service of Saudi Arabia to develop Saudi Arabia's agricultural resources.

Then, too, a very important problem of Saudi Arabia is the study of how to preserve water and how to utilize water. This problem has been the object of some very important developments, because Arabian-American Oil has helped in choosing a mission of the best scientific men—meteorologists, hydrographers and so on—in order to find out how to utilize every drop of water that is available in Saudi Arabia.



think that they should like to do more but there are certain limitations, which, of course, they have to respect.

**Mr. Denny:** Thank you, Habashy Pacha. This might be a good time for us to express our appreciation to the American-Arabian Company, Dr. Decker, for flying us over here, and flying us back. Thank you, very much. I think that's a social service deeply appreciated by Town Hall. Selim Bey, do you have another comment?

**Selim Bey:** I'd like to take all my three opponents on at the same time, if I may. It seems to me that their principal objection to the Marshall Plan in the Middle East is that it is inadequate. I think that reason, itself, is inadequate. I believe that half a loaf is better than no bread.

**Dr. Decker:** No, our objection to the Marshall Plan is that the United States is not rich enough to go on indefinitely policing and guiding the entire world on a bilateral basis or any other basis. Secondly, if the United States does attempt it, she is sure to be placed in the same position as Great Britain and France were in the nineteenth century. We will become one of the great imperial powers in the world. Now, let's take the heat off the United States and put it where it belongs—in group action by the family of nations. (*Applause*)

**Mr. Denny:** Thank you, very much. Now, we must get down to the question period from this eager Egyptian audience here in the Art Memorial Hall in Cairo. Before we do that, however, we have a special message for our audience.

**Mr. Snavelly:** This is Guy E. Snavelly of the Association of American Colleges which has a membership of 660 college and university presidents, with an enrollment of 2,000,000 students. Our group of 25 "innocents abroad" like the Lotophagi of the story years is sorely tempted to eat of the sacred lotus of the East and forget whither lies their homeward way. Long will abide the pleasant remembrance the gracious and enthusiastic hospitality of our Egyptian hosts.

Having spent a lifetime in college and university environment, I am profoundly impressed by Fuad University with its more than 100,000 students, with its fine professional schools, well-equipped and adequately staffed. In our seminar discussions, it was made clear that those at the head of Egyptian government departments are seriously trying to raise the level of literacy and to educate an increasing number of competent leaders in the areas of economics, sociology, and government.

For the enlargement of a reservoir of progressive leaders, one must rely on the resources of Fuad University; El Azhar University,

the oldest in the world; the American University in Cairo; and other cultural centers, like the libraries, and the ancient and modern museums.

It is a pleasure and somewhat of a surprise to meet here a large number of highly placed educators who have studied in well known universities in the United States. It would be mutually helpful if more of our prospective savants would come to Egypt for their advanced studies.

Now, for the question period we return you to Mr. Denny.

## QUESTIONS, PLEASE!

*Mr. Denny:* Now we're ready for our question period here in the Ewart Auditorium of the American University of Cairo. We have a splendid audience of representative Egyptians, together with members of our Town Hall Seminar. Our questions may come today either in French, or Arabic, or English. I don't know which you're going to speak until you start speaking, but our two interpreters are right here. We'll start with the gentleman over there on the right. Yes, sir?

*Man:* This is a question for Selim Bey. Why doesn't America coöperate with Russia in the Middle East? This would serve a twofold purpose: raise the standard of its people and afford a better chance for peace between Russia and America.

*Selim Bey:* It would be perfectly heavenly if America and Russia could settle their differences and coöperate. Our troubles and dangers would disappear overnight. But I'm afraid efforts have been made over the last four years, and instead of the difference between them getting less, it is gradually getting deeper. I'm not losing hope altogether, but, until we have better signs of a real understanding, we must prepare for the worst.

*Mr. Denny:* Thank you, Selim Bey. I think Dr. Badeau has a comment.

*Dr. Badeau:* I think there's a very simple answer to that. The western idea of economic development and the Russian idea of economic development are absolutely and completely opposed. How can you coöperate with people who don't believe in developing society the same basic way that you do? In other words, it can't be democratic and it can't be communistic at the same time. (Applause)

*Mr. Denny:* Thank you. This gentleman over here, please. Do you have a question?

*Man:* If Dr. Decker suspects that Arabic countries are un-

tical influence, may I ask what have Americans done to help countries to be completely free?

*Mr. Decker:* Well, with all of our shortcomings, I think we have probably, as fine an example as exists any place in the world, beside of countries like Switzerland and Sweden and others, of a democratic way of life. One thing that bothers me is that so much of the help that you people want from the United States—much of the exchange—is purely technological.

I think my country has got something even more than science to give to the world, and I think that something has to do with the way of life. It isn't perfect, but we are struggling ahead, in meetings as this, and certainly one of the freest presses in the world, through freedom of speech at various gatherings, and in institutions—we're struggling our way to broaden our whole concept of democracy. (*Applause*)

*Mr. Denny:* Thank you. Dr. Badeau has a comment.

*Mr. Badeau:* I think that can be answered more directly. There are two things that America has done in the past. One was that she stood against the continued French occupation of Syria and Lebanon at the end of the war—the last war—and partly as a result of the American stand, the French Mandate was brought to an end.

The second was that, prior to the war, she supported the desire of the various becoming-independent Arab states to enter the League of Nations. American policy has not always been consistent, but, at least, we've done that much.

*Mr. Denny:* Yes, sir?

*Mr. Dan:* (*Question in French.*)

*Mr. Denny:* Habashy Pacha will translate that.

*Habashy Pacha:* I understand the question as this:

America has got a problem because America must invest some of its surplus capital in foreign countries. My friend asks why this problem has not been treated. I just want to tell him my answer. This is not an American problem. This is a world problem. We ought not to envisage America alone. We ought to envisage America, as well as Egypt, as part of a whole world picture. No country can be entirely happy if it is not creating and at the same time capable of investing its money and finding a reward for this investment in other countries; and the other countries, as well, would need these investments in order that their own economies could prosper.

*Mr. Denny:* Thank you, Habashy Pacha. Now Dr. Badeau.

*Mr. Badeau:* I think we need to remember that our topic tonight is not "Does America Need a Marshall Plan?" but "Does the



Arab World Need a Marshall Plan?" What happens to American capital and dollars from the standpoint of Cairo is relatively unimportant. What happens to Arab life is very important. That is why we treat it from the Arab angle.

*Mr. Denny:* Thank you. Dr. Decker has a comment.

*Dr. Decker:* I want to add one other note that I don't think I have been stressed enough this evening. I think all of these regional agreements are temporarily helpful and, perhaps, should be encouraged, but I am terribly suspicious of them. After all, no region—any more than one nation—can live alone. The health of the Near East is as dependent upon the health of China and India and the Far East as the health of the United States is dependent upon the health of the Near East.

*Mr. Denny:* Thank you. This gentleman.

*Man:* (Question in Arab.)

*Interpreter:* Dr. Decker, he asks your opinion as to whether the United Nations is able to undertake the job of rendering material service to the nations that need that service.

*Dr. Decker:* It is already doing so in a vast area all over the world. We tend to concentrate on two or three or four of the major problems that hit the newspaper headlines.

Actually, of course, through its welfare committees, its labor committees, and in a hundred other ways, the United Nations is a vital force in human welfare throughout the world today.

*Mr. Denny:* Thank you. Now, we'll take the question from this gentleman right here.

*Man:* I have a question for His Excellency, Habashy Pacha. How could foreign capital regain its interest while the Middle East balance of trade with the United States is still unfavorable?

*Habashy Pacha:* Well, I don't view these problems as being permanently with us. I think that these problems, as well as many others, will find a solution on an international plane.

For the time being, of course, I am aware of these difficulties but we are not discouraged because they exist. We know that this is part of the inheritance of a world struggle that has gone on and on for years, but this state of things is not going to remain with us forever. The world is going to be able to cope with this situation and, personally, my opinion is that we should cooperate with all the other nations for a solution of these problems. It is not a unilateral solution that we must be seeking but rather a multilateral solution. (Applause)

*Mr. Denny:* Thank you, Habashy Pacha. All right, the gentleman over here.

*Man:* Dr. Decker, would you still object to a limited financial contribution of the United States as a form of underwriting an intensive scientific research for the Middle East?

*Dr. Decker:* Not at all, because I realize that even if the plan of the United Nations is worked out—that is, the Truman Point Four program—that a large share of the financial responsibility will have to be borne by our country. I simply want to get the problems of the world shared by all of the peoples and all of the nations, and not concentrated in an unhealthy single spot.

*Mr. Denny:* Thank you. Next question.

*Man:* My question is directed to Selim Bey. Can we get more dollars if the American Government lifts the quota on our cotton and other things rather than submitting to the Marshall Plan?

*Selim Bey:* American lifting of the quota and the extra tax on our cotton would be a help, but it would be inadequate. I feel we need far more than that.

*Mr. Denny:* Thank you. The gentleman on the aisle, in the white coat.

*Man:* This is a question to Dr. Decker. If the Americans can afford about 900 million sterling for Marshall Plan aid, this year, for example, can they not direct at least one-tenth of that amount to Egypt, and why is it that he pleads poverty on behalf of America when it comes to Egypt?

*Dr. Decker:* I think that they could afford it to Egypt, and I think Egypt is as much entitled to it as any other section of the world, but it's a matter here of concentrating our resources, as I understand it, at the point of our greatest single need.

The Marshall Plan, after all, is only a temporary program. It is supposed to run out in 1952, and already we're trying to build public sentiment in the United States so that, when 1952 comes, we aren't going to have a sudden breakdown in the Plan. But certainly no one in our country ever contemplated that the Marshall Plan would become a permanent program of world relief. I don't think it would be good from the standpoint of the Near East any more than from the standpoint of the United Nations. One other point I want to stress while I'm here that has not been stressed. One of the great things we can do between the Near East and the United States is to greatly extend the exchange of our students and of our professors. I think that a group of students coming from this country to the United States—a program already under way, but greatly extended—would probably do more for us and more for you than almost any other single aspect of the international problem. (Applause)

*Mr. Denny:* Next question.

*Man:* I'd like to ask Habashy Pacha what he thinks would be more beneficial and helpful for the Arab world: to let American firms develop our resources or to let the American dollar and machinery help the Arab firms develop them.

*Mr. Denny:* Well, either, or, or both?

*Habashy Pacha:* I stand for private initiative. I believe that private initiative is a better guarantee for correct planning to the mutual benefit of American and Egyptians. I don't believe much in government planning, or in government action, or in government subsidies, or in government capital being invested in an important concern.

There may be certain exceptions and, therefore, what Mr. Denny has said about "or both" is quite correct. There may be cases that will justify American government capital being contributed but I don't know of them yet. What I know is that whenever there has been a call for a real good plan that would develop resources I couldn't think of any case where private capital turned out.

*Mr. Denny:* Thank you. Next question.

*Mrs. Hottel:* Dr. Badeau, you have indicated a need for an approach to the problems of the Middle East. What practical developments of this type have been undertaken to date by the Arab world?

*Dr. Badeau:* Very few practical developments have been undertaken to date because the area consciousness of the Arab world has been largely focussed upon a political problem. Due to our own American foreign policy, the Arab world has had a war to fight and, therefore, its natural energies have been focused principally upon war.

The question now becomes whether unity achieved in war can be used for social development. I have placed, you remember, a very large question mark over that. We have not succeeded in doing that in the West. I doubt if the Arab world is ready to succeed as yet, but I think until it is ready to succeed a Marshall-type Plan will be ineffective.

*Mr. Denny:* Thank you. Now the gentleman over here.

*Man:* Dr. Decker. Don't you think that United Nations stimulation of the untapped resources of the Middle East means the entry here of Russia, a member of the United Nations, and defeat of America's object of barring Russia from the Mediterranean?

*Dr. Decker:* I think that if it is done straight through a Marshall Plan with a military pact, with the necessity, perhaps, of our sending ammunition and moving troops over here, I think we will be into war day after tomorrow. But if it's done through the United Nations and done in a coöperative way, I think we have



me hope of success. What is your alternative? If we don't do it that way, we simply can't do anything at all.

*Mr. Denny:* Thank you. All right. Next question, please.

*Man:* Why is it a case of extending a Marshall Plan to the Arab world? Does it need international economic coöperation and not international vigor? If so, does the Arab world differ in its great need for the Plan?

*Dr. Badeau:* Well, when I have malaria, I don't take aspirins; I take quinine. I think to take a Marshall Plan at the present stage the Arab world is to take aspirin. It is a waste of good money for a remedy that doesn't work.

*Mr. Denny:* All right. Next question.

*Man:* A question for Selim Bey. In the case of Marshall Plan help, would that help come to the government? And what effect would that have on private capital and in raising the standard of living of the masses?

*Selim Bey:* If the Marshall Plan were materialized in Egypt, or the Middle East generally, it would mean vast capital outlay in constructive goods and services, which would open up so many outlets for the people of the country, and help activity, and increase their earning power. That is why it's a great addition to the wealth of the Middle East.

*Mr. Denny:* Thank you, Selim Bey. Next question here.

*Man:* A question for Dr. Decker. The Marshall Plan primarily ensures democratic defense against totalitarianism. Why, then do you deny minor nations with great potentialities self-expression in their cases whence they become unwillingly pro-communist in helping deliverance?

*Dr. Decker:* Of course, I wouldn't deny any nation in need anything if we can afford to pay for it. But the idea behind the Marshall Plan was simply that, if we would put a hypodermic into Europe, within a few years it would be able to support itself and to defend itself. Then we could turn our attention to the other areas of the world. Our many good friends in Asia are deeply unhappy because we haven't had a real plan with a Pacific pact for that area.

But again I return to the point. I love our country. I think that the Marshall Plan has done a perfectly magnificent job in Europe, and I think we are doing many other things, but our country still is not rich enough, all-powerful enough, or wise enough to run the world.

*Mr. Denny:* Thank you. Now while our speakers prepare their summaries of tonight's discussion, here's a special message of interest to you.

*Mr. Lord:* This is Milton Lord again. Underlying our discussion this evening there has been the concern of our two great countries for an effective playing of our respective roles at this moment in world history. Perhaps the most important single impression which we of the Town Hall group are taking away with us from our five unforgettable days in Cairo is this: Egypt must gain a far greater knowledge and understanding than at present of what the United States is in its positive accomplishments as well as in its own too-apparent imperfections.

The United States, in its turn, must replace its concept of Egypt as a romantic and distant country by a fuller knowledge of the great past and the present importance of this great country, Egypt. We must know each other in the future far better than we have up to now. This is a positive responsibility for both of us. Let us meet it squarely with mutual trust and understanding.

Now for the summaries of tonight's discussion, we return you to Mr. Denny.

*Mr. Denny:* Dr. Clarence Decker, may we have your summary, please?

*Dr. Decker:* A sound program for the development of the Middle East calls for heroic action on two parallel fronts: (1) the economic development in steel, stone, concrete, and electrical power of her potentially rich resources; and (2) the simultaneous broadening of her social, political, and cultural institutions so that her people may live effectively in the modern machine age.

The Middle East needs outside help to the end that she can stand and will help herself, but this outside help must be provided and used as part of a long-range world-wide plan of coöperation operating through the United Nations.

*Mr. Denny:* Thank you, Dr. Decker. Now, Dr. Badeau, please.

*Dr. Badeau:* This discussion has made it clear that there are two bases on which the Arab world can seek economic aid from the West. One is the immediate need for military defense; the other is a long-term concern for human welfare as such. I am all on the side of long-term human welfare.

*Mr. Denny:* Thank you, Dr. Badeau. Now Habashy Pacha.

*Habashy Pacha:* This discussion has confirmed me in my opinion. Firstly, that I do not agree to a Marshall Plan because it might impair rather than foster good will between the United States and the Middle East.

Secondly, it might fail to accomplish its objective.

Thirdly, it is not suited to conditions of the Middle East where we have to create and not restore economic prosperity. The best contribution which we can get from the West is technical advi-



and "know-how." It seems to me that Point Four of President Truman's program is a better solution to our problems than the Marshall Plan.

Mr. Denny: Thank you, Habashy Pacha. Now Professor Selim Bey.

Selim Bey: I feel that my friends around this microphone have sensed the urgency of the problem of saving the Arab countries from the dangers of invasion of communism. They have allowed trifling difficulties to cloud the main issue which is as vital to America as it is to us.

Is America serious in her fight for world peace, or is she not? If she is—and I'm sure we all agree about that—then aid similar to that given to Western Europe—call it what you will—must be given to the Arab world and given it soon while there still is time.

(Applause)

Mr. Denny: Thank you, Selim Bey, Habashy Pacha, Dr. Badeau, and Dr. Decker. We cannot adequately express our deep appreciation to Mr. Fuad Sarruf, coöordinator of our activities here, the Director of the Press Bureau of the Egyptian Foreign Office, the Acting Ambassador Jefferson Patterson, to Mr. Robert Martin-Decker, to Mr. Shannon Allen, and their respective staffs for one of the most profitable and enlightening visits we've had on this entire trip.

Our thanks, too, to the Arabian-American Oil Company—Aramco for short—for generously transporting our party to this enchanting world capital. We are most grateful also to the Egyptian press and radio for their generous and friendly coverage. As usual, copies of tonight's discussions may be obtained by sending 10 cents to Town Hall, New York 18, New York, asking for the copy of this program from Cairo. Special arrangements have been made with our publishers to bind all 12 of our Round-the-World Town Meetings into one volume for \$1. So if you would like to have the entire series from these world capitals, enclose \$1 and send to the same address, Town Hall, New York 18, New York.

Next week we return to the route of Pan American World Airways on which we are making most of our Round-the-World tour and we will stop at Karachi in Pakistan to discuss the subject, "How Can We Advance Democracy in Asia?" Joining with Mrs. J. L. Blair Buck, president of the Federation of Women's Clubs, and Walter White, executive secretary of the National Association for the Advancement of Colored People, will be Begum Shaista Ikramullah, member of the Constituent Assembly of Pakistan, and Faiz Ahmed Faiz, editor of the *Pakistan Times*.





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